
SENATE RESOLUTION

REQUESTING THE REAL ESTATE COMMISSION TO CONDUCT A STUDY ON THE
IMPLEMENTATION OF RECOMMENDATIONS FOUND IN THE CONDOMINIUM
GOVERNANCE - AN EXAMINATION OF SOME ISSUES 1989 REPORT BY
THE LEGISLATIVE REFERENCE BUREAU.

1 WHEREAS, in 1988, the Legislature adopted Senate Concurrent
2 Resolution No. 100, S.D. 1, H.D. 1, which requested the
3 Legislative Reference Bureau to conduct an interim study of the
4 various problems concerning the governance of condominiums and
5 propose feasible means and effective methods of addressing those
6 problems; and
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8 WHEREAS, in response to the resolution, in 1989 the
9 Legislative Reference Bureau, with the assistance of the
10 Department of Commerce and Consumer Affairs, conducted a study
11 titled *Condominium Governance - An Examination of Some Issues*,
12 Report No. 4, 1989, which provided findings and recommendations
13 concerning condominium governance in the State; and
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15 WHEREAS, thirty years have elapsed since the publication of
16 the report and the population of Hawaii has drastically
17 increased, along with the amount of registered condominium
18 associations; now, therefore,
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20 BE IT RESOLVED by the Senate of the Thirtieth Legislature
21 of the State of Hawaii, Regular Session of 2019, that the Real
22 Estate Commission is requested to conduct a study on whether,
23 and to what degree, the findings and recommendations found in
24 the *Condominium Governance - An Examination of Some Issues*,
25 Report No. 4, 1989, have been implemented; and
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27 BE IT FURTHER RESOLVED that the study is also requested to
28 address any further action that may be needed to fulfill
29 unresolved findings and recommendations and any other comments
30 and concerns that interested parties may provide; and
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1 BE IT FURTHER RESOLVED that the study is also requested to
2 include assessments on the following:

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- 4 (1) Whether the developer's public report required under
5 existing law provides adequate and understandable
6 disclosures to prospective purchasers of new and
7 converted condominium projects, and if not, any
8 potential methods that could be used to further
9 educate prospective purchasers;
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- 11 (2) Whether the current financial reserves study and
12 funding requirements completed by registered
13 associations of apartment owners are sufficient; and
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- 15 (3) Whether the use of the current voting process is
16 appropriate, whether the proxy voting process provides
17 an advantage or disadvantage in the governing process,
18 and whether there are inherent conflicts between
19 owner-occupants, investor owners, and commercial
20 owners; and
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22 BE IT FURTHER RESOLVED that the Legislative Reference
23 Bureau is requested to provide technical assistance to the Real
24 Estate Commission while the Commission completes its study; and
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26 BE IT FURTHER RESOLVED that the Real Estate Commission is
27 requested to submit a report of its findings and
28 recommendations, including any proposed legislation, to the
29 Legislature no later than twenty days prior to the convening of
30 the Regular Session of 2020; and
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32 BE IT FURTHER RESOLVED that certified copies of this
33 Resolution be transmitted to the Director of Commerce and
34 Consumer Affairs, Chairperson of the Real Estate Commission, and
35 Director of the Legislative Reference Bureau.

